

1. Company details

|                   |                                      |
|-------------------|--------------------------------------|
| Name of entity:   | DroneShield Limited                  |
| ABN:              | 26 608 915 859                       |
| Reporting period: | For the half-year ended 30 June 2025 |
| Previous period:  | For the half-year ended 30 June 2024 |

2. Results for announcement to the market

|                                                                                             |    |      |    |  | \$'000 |
|---------------------------------------------------------------------------------------------|----|------|----|--|--------|
| Revenues from ordinary activities                                                           | up | 210% | to |  | 72,324 |
| Profit from ordinary activities after tax attributable to the owners of DroneShield Limited | up | 144% | to |  | 2,123  |
| Profit for the half-year attributable to the owners of DroneShield Limited                  | up | 144% | to |  | 2,123  |

Comments

The profit for the Group after providing for income tax amounted to \$2,123,000 (30 June 2024: loss of \$4,805,000).

3. Net tangible assets

|                                           | 30 June 2025 | 31 December 2024 |
|-------------------------------------------|--------------|------------------|
|                                           | \$           | \$               |
| Net tangible assets per ordinary security | 0.33         | 0.35             |

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

## 8. Details of associates and joint venture entities

Not applicable.

## 9. Foreign entities

*Details of origin of accounting standards used in compiling the report:*

International Financial Reporting Standards.

## 10. Audit qualification or review

*Details of audit/review dispute or qualification (if any):*

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

## 11. Attachments

*Details of attachments (if any):*

The Interim Report of DroneShield Limited for the half-year ended 30 June 2025 is attached.

## 12. Signed

  
Signed \_\_\_\_\_

Peter James  
Independent Non-Executive Chairman  
Sydney NSW

Date: 27 August 2025



**DRONESHIELD**

## Half-year Report

For the Half-year Ended  
30 June 2025



*Image: A rapidly deployable DroneSentry combination, utilising DroneShield's DroneSentry-X Mk2, Echodyne EchoShield radars, Bosch camera, and Sentrycs Portable Kit, powered via DroneShield's proprietary DroneSentry-C2 Command-and-Control platform.*

**DroneShield Limited (ASX:DRO)**

ASX Release

ABN 26 608 915 859

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The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of DroneShield Limited (referred to hereafter as the 'Company' or 'parent entity' or 'DroneShield') and the entities it controlled at the end of, or during, the half-year ended 30 June 2025.

### Directors

The following persons were Directors of DroneShield Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

|                  |                                    |
|------------------|------------------------------------|
| Peter James      | Independent Non-Executive Chairman |
| Jethro Marks     | Independent Non-Executive Director |
| Richard Joffe    | Independent Non-Executive Director |
| Simone Haslinger | Independent Non-Executive Director |
| Oleg Vornik      | CEO and Managing Director          |

### Principal activities

The principal activity of the Company is the development, commercialisation and sales of counterdrone hardware and software technology.

### Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

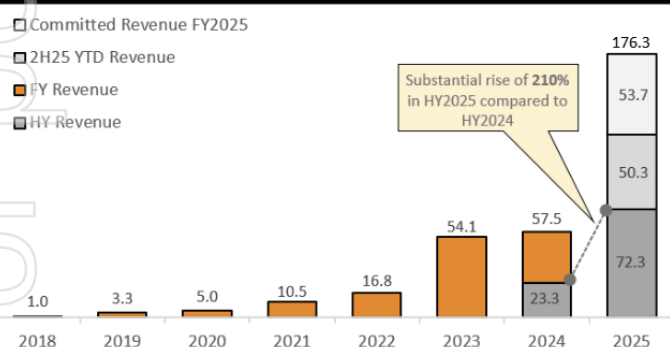
### Review of operations and financial results

#### Financial Highlights

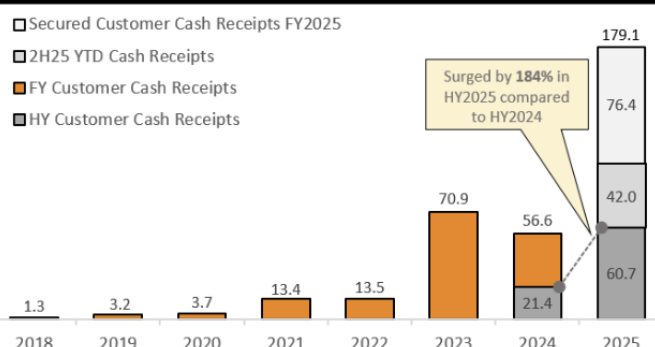
The first half of 2025 has generated **all-time record 1H25 results across all key metrics**: revenue of \$72.3 million, customer cash receipts of \$60.7million, and profit after tax of \$2.1 million, reflecting the strength of DroneShield's product portfolio, the agility of our operations, and the growing global appetite for the Company's solutions.

| Metric                 | 1H2025   | 1H2024    | Change     |
|------------------------|----------|-----------|------------|
| Revenue                | \$72.3m  | \$23.3m   | Up 210%    |
| Customer Cash Receipts | \$60.7m  | \$21.3m   | Up 185%    |
| EBITDA                 | \$5.2m   | (\$4.9m)  | Up \$10.1m |
| Profit After Tax       | \$2.1m   | (\$4.8m)  | Up \$6.9m  |
| Operational Cashflow   | (\$8.7m) | (\$30.2m) | Up \$21.5m |
| Cash and Term Deposits | \$203.8m | \$134.3m  | Up \$69.5m |

#### Revenues (A\$m)



#### Customer Cash Receipts (A\$m)



Note: As of August 2025

The Company is seeing significant ongoing momentum, including a \$61.6 million contract received on 25 June, the largest in company history, due for full delivery by the end of August 2025.

The secured FY2025 revenue stands at an exceptional \$176.3 million (already well exceeding the entire FY2024 revenue of \$57.5 million), comprising:

- \$72.3 million in recognised 1H2025 revenue;
- confirmed purchase orders scheduled for delivery in 2H2025; and
- deferred revenue from subscriptions and warranties.

With a strong amount of inventory on hand, the Company expects to fully deliver (and recognise revenue for) most purchase orders received prior to November-December.

### Increasing Geographical & Product Diversification

- fixed site solutions accounting for 60% of revenue, up from 19% in FY2024;
- strong traction globally - while US remains a critical market, its revenue contribution of 20% is now well balanced with other regions, including Europe (16%) and Asia Pacific (27%); and
- subscription revenue, while only 5% of total, is expected to grow with the launch of SentryCiv, a dedicated civilian-sector offering, as well as all of the upcoming DroneShield products having one or multiple facilities of AI-enabled software engines.

### Cash Flow & Liquidity: Strength and Stability

As of 30 June 2025, cash and term deposits totalled \$203.8 million. The net operating cash outflow was \$8.7 million, a marked improvement from \$30.2 million in the prior period, driven by higher customer receipts and improved working capital efficiency.

The Company employs a tiered payment structure to optimise cash flow and effectively manage credit risk. Tier 1 customers, recognised for their strategic importance and strong credit profiles, are granted standard 30-day payment terms from the date of delivery. For non-Tier 1 customers, payment terms are tailored to individual agreements and may include partial or full upfront payments, depending on factors such as risk assessment, order volume, and historical payment behaviour.

### Inventory Readiness

The inventory book value was \$81 million, comprising completed and in-progress units. The sale value of this inventory was significantly higher due to the high gross margins on DroneShield products. The Company's inventory strategy is shaped by long lead times of approximately three to four months on many of its products due to their sophistication, and the urgent requirements on the customer side.

### AI-based Product & Technology Strategy

The Company continues to advance its portfolio of AI-driven solutions, reinforcing its leadership in intelligent threat detection and response. Key developments include enhancements to the **RFAI-2** detection model, which remains a strong performer and is scheduled for a major update in October 2025 to expand the range of detectable drone emission formats. Progress also continues on **RFAI-3**, the next-generation AI drone detection model, slated for launch in mid-2026. This upgrade will deliver substantial improvements in performance, advanced capabilities, and greater customization options for end users.

In parallel, the Company is preparing a significant 4Q25 software update for **RFAI-ATK**, its electronic defeat model, which will introduce targeted threat engagement capabilities. The **DroneSentry-C2** platform will also benefit from updates to the **SFAI** (Sensor Fusion AI Engine) and **DroneOptID** (AI-based Computer Vision Classifier and Optical Tracker) in the final quarter of 2025, further enhancing situational awareness and automated threat classification.

**SaaS subscriptions** continue to provide customers with access to advanced features while contributing to the Company's growing recurring revenue stream. Notably, strong 1Q25 and 2Q25 software updates were successfully deployed across a global fleet of over 1,600 AI-enabled DRO devices via the secure DroneShield Access Portal.

Complementing its software innovation, DroneShield executed **iterative hardware upgrades** across its three primary platforms, RfPatrol, DroneGun, and DroneSentry-X, during 1H2025. These enhancements were made possible through the Company's vertically integrated engineering and manufacturing strategy, enabling rapid response to evolving end user requirements.

### **Strategic Investments & Operational Scale**

- DroneShield is expanding its infrastructure and innovation to support its growth trajectory. This is done substantively via contract manufacturing, minimising the amount of upfront capital investment as well as ongoing cost, while enabling output capacity:
  - Scaling manufacturing capacity from \$500 million to \$2.4 billion per annum (by sales value of the product) by the end of 2026, across Australia, Europe, and the U.S.
- Scaling the employee base (across engineering, sales and operations) from 250 at the end of last year to over 370 today, and growing, to support the next phase of the Company.

DroneShield's continued investment in scalable technology, global partnerships, and customer-centric innovation positions the Group for sustained growth and leadership in the counterdrone sector.

### **Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the Group during the financial half-year.

### **Matters subsequent to the end of the financial half-year**

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

### **Rounding of amounts**

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

### **Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors



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Peter James  
Independent Non-Executive Chairman

27 August 2025  
Sydney NSW

**Auditor's Independence Declaration**

To the directors of DroneShield Limited:

As lead auditor for the review of the financial report of DroneShield Limited for the half-year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

This declaration is in respect of DroneShield Limited and the entities it controlled during the period.



**Sydney, NSW  
27 August 2025**

**N J Guest  
Director**



**DroneShield Limited**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the half-year ended 30 June 2025**



|                                                                                                                             | Note | Consolidated<br>30 June 2025<br>\$'000 | 30 June 2024<br>\$'000 |
|-----------------------------------------------------------------------------------------------------------------------------|------|----------------------------------------|------------------------|
| <b>Revenue</b>                                                                                                              | 4    | 72,324                                 | 23,308                 |
| Other income                                                                                                                |      | 237                                    | 95                     |
| Interest revenue calculated using the effective interest method                                                             |      | 4,243                                  | 682                    |
| <b>Expenses</b>                                                                                                             |      |                                        |                        |
| Cost of goods sold                                                                                                          |      | (25,029)                               | (6,614)                |
| Product development expense                                                                                                 |      | (19,606)                               | (8,811)                |
| Sales and customer service expense                                                                                          |      | (9,752)                                | (4,173)                |
| Corporate and support expense                                                                                               |      | (12,926)                               | (6,099)                |
| Corporate governance expense                                                                                                |      | (1,263)                                | (821)                  |
| Share-based payment expense                                                                                                 | 17   | (2,719)                                | (2,682)                |
| Net foreign exchange losses                                                                                                 |      | (18)                                   | -                      |
| Finance costs                                                                                                               |      | (290)                                  | (85)                   |
| <b>Profit/(loss) before income tax (expense)/benefit</b>                                                                    | 5    | 5,201                                  | (5,200)                |
| Income tax (expense)/benefit                                                                                                |      | (3,078)                                | 395                    |
| <b>Profit/(loss) after income tax (expense)/benefit for the half-year attributable to the owners of DroneShield Limited</b> |      | 2,123                                  | (4,805)                |
| <b>Other comprehensive (loss)/income</b>                                                                                    |      |                                        |                        |
| <i>Items that may be reclassified subsequently to profit or loss</i>                                                        |      |                                        |                        |
| Foreign currency translation                                                                                                | 12   | (2,182)                                | 12                     |
| Other comprehensive (loss)/income for the half-year, net of tax                                                             |      | (2,182)                                | 12                     |
| <b>Total comprehensive loss for the half-year attributable to the owners of DroneShield Limited</b>                         |      | <u>(59)</u>                            | <u>(4,793)</u>         |
|                                                                                                                             |      | \$                                     | \$                     |
| Basic earnings per share                                                                                                    | 6    | 0.002                                  | (0.008)                |
| Diluted earnings per share                                                                                                  | 6    | 0.002                                  | (0.008)                |

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

|                                      | <b>Note</b> | <b>Consolidated<br/>30 June 2025<br/>\$'000</b> | <b>31 December 2024<br/>\$'000</b> |
|--------------------------------------|-------------|-------------------------------------------------|------------------------------------|
| <b>Assets</b>                        |             |                                                 |                                    |
| <b>Current assets</b>                |             |                                                 |                                    |
| Cash and cash equivalents            | 7           | 165,770                                         | 62,620                             |
| Term and other deposits              |             | 36,962                                          | 156,869                            |
| Trade and other receivables          |             | 24,394                                          | 31,352                             |
| Inventories                          | 8           | 81,112                                          | 66,678                             |
| Income tax receivable                |             | 364                                             | 382                                |
| <b>Total current assets</b>          |             | <b>308,602</b>                                  | <b>317,901</b>                     |
| <b>Non-current assets</b>            |             |                                                 |                                    |
| Property, plant and equipment        |             | 13,537                                          | 9,555                              |
| Right-of-use assets                  |             | 6,421                                           | 7,099                              |
| Intangible assets                    | 9           | 12,482                                          | 6,419                              |
| Deferred tax asset                   |             | 11,368                                          | 13,739                             |
| Term and other deposits              |             | 1,070                                           | 1,166                              |
| <b>Total non-current assets</b>      |             | <b>44,878</b>                                   | <b>37,978</b>                      |
| <b>Total assets</b>                  |             | <b>353,480</b>                                  | <b>355,879</b>                     |
| <b>Liabilities</b>                   |             |                                                 |                                    |
| <b>Current liabilities</b>           |             |                                                 |                                    |
| Trade and other payables             |             | 6,306                                           | 4,717                              |
| Contract liabilities                 | 10          | 12,695                                          | 20,649                             |
| Lease liabilities                    |             | 1,583                                           | 373                                |
| Income tax payable                   |             | 819                                             | 799                                |
| Employee benefits                    |             | 1,847                                           | 1,071                              |
| Provisions                           |             | 966                                             | 224                                |
| <b>Total current liabilities</b>     |             | <b>24,216</b>                                   | <b>27,833</b>                      |
| <b>Non-current liabilities</b>       |             |                                                 |                                    |
| Contract liabilities                 | 10          | 5,421                                           | 6,073                              |
| Lease liabilities                    |             | 7,563                                           | 8,734                              |
| Employee benefits                    |             | 428                                             | 326                                |
| Provisions                           |             | 1,367                                           | 1,326                              |
| <b>Total non-current liabilities</b> |             | <b>14,779</b>                                   | <b>16,459</b>                      |
| <b>Total liabilities</b>             |             | <b>38,995</b>                                   | <b>44,292</b>                      |
| <b>Net assets</b>                    |             | <b>314,485</b>                                  | <b>311,587</b>                     |
| <b>Equity</b>                        |             |                                                 |                                    |
| Issued capital                       | 11          | 313,387                                         | 313,149                            |
| Reserves                             | 12          | 10,276                                          | 10,088                             |
| Accumulated losses                   |             | (9,178)                                         | (11,650)                           |
| <b>Total equity</b>                  |             | <b>314,485</b>                                  | <b>311,587</b>                     |

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes*

**Consolidated**

|                                                                  | <b>Issued<br/>capital<br/>\$'000</b> | <b>Reserves<br/>\$'000</b> | <b>Accumulated<br/>losses<br/>\$'000</b> | <b>Total equity<br/>\$'000</b> |
|------------------------------------------------------------------|--------------------------------------|----------------------------|------------------------------------------|--------------------------------|
| Balance at 1 January 2024                                        | 80,378                               | 5,474                      | (11,339)                                 | 74,513                         |
| Loss after income tax benefit for the half-year                  | -                                    | -                          | (4,805)                                  | (4,805)                        |
| Other comprehensive income for the half-year, net of tax         | -                                    | 12                         | -                                        | 12                             |
| Total comprehensive income/(loss) for the half-year              | -                                    | 12                         | (4,805)                                  | (4,793)                        |
| <i>Transactions with owners in their capacity as owners:</i>     |                                      |                            |                                          |                                |
| Contributions of equity, net of transaction costs                | 110,360                              | -                          | -                                        | 110,360                        |
| Share-based payments (note 17)                                   | -                                    | 2,682                      | -                                        | 2,682                          |
| Transfer from share-based payments reserve to accumulated losses | -                                    | (1,009)                    | 1,009                                    | -                              |
| Repayment of management / employee option                        | 7,830                                | -                          | -                                        | 7,830                          |
| Balance at 30 June 2024                                          | <u>198,568</u>                       | <u>7,159</u>               | <u>(15,135)</u>                          | <u>190,592</u>                 |

**Consolidated**

|                                                                  | <b>Issued<br/>capital<br/>\$'000</b> | <b>Reserves<br/>\$'000</b> | <b>Accumulated<br/>losses<br/>\$'000</b> | <b>Total equity<br/>\$'000</b> |
|------------------------------------------------------------------|--------------------------------------|----------------------------|------------------------------------------|--------------------------------|
| Balance at 1 January 2025                                        | 313,149                              | 10,088                     | (11,650)                                 | 311,587                        |
| Profit after income tax expense for the half-year                | -                                    | -                          | 2,123                                    | 2,123                          |
| Other comprehensive loss for the half-year, net of tax           | -                                    | (2,182)                    | -                                        | (2,182)                        |
| Total comprehensive (loss)/income for the half-year              | -                                    | (2,182)                    | 2,123                                    | (59)                           |
| <i>Transactions with owners in their capacity as owners:</i>     |                                      |                            |                                          |                                |
| Shares issued from options exercised (note 11)                   | 238                                  | -                          | -                                        | 238                            |
| Share-based payments (note 17)                                   | -                                    | 2,719                      | -                                        | 2,719                          |
| Transfer from share-based payments reserve to accumulated losses | -                                    | (349)                      | 349                                      | -                              |
| Balance at 30 June 2025                                          | <u>313,387</u>                       | <u>10,276</u>              | <u>(9,178)</u>                           | <u>314,485</u>                 |

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes*

|                                                                        | <b>Note</b> | <b>Consolidated<br/>30 June 2025<br/>\$'000</b> | <b>30 June 2024<br/>\$'000</b> |
|------------------------------------------------------------------------|-------------|-------------------------------------------------|--------------------------------|
| <b>Cash flows from operating activities</b>                            |             |                                                 |                                |
| Receipts from customers (inclusive of GST)                             |             | 60,714                                          | 21,326                         |
| Payments to suppliers and employees (inclusive of GST)                 |             | (69,137)                                        | (51,589)                       |
| Research and development tax and other incentives received             |             | 165                                             | 27                             |
| Income taxes paid                                                      |             | (478)                                           | -                              |
| <b>Net cash used in operating activities</b>                           |             | <b>(8,736)</b>                                  | <b>(30,236)</b>                |
| <b>Cash flows from investing activities</b>                            |             |                                                 |                                |
| Payments for property, plant and equipment                             |             | (5,188)                                         | (1,496)                        |
| Payments for intangibles                                               | 9           | (6,804)                                         | -                              |
| Payments for term deposits greater than 3 months                       |             | (36,879)                                        | (10,063)                       |
| Proceeds from maturity of term deposits greater than 3 months          |             | 156,965                                         | -                              |
| Interest received on cash deposits                                     |             | 4,706                                           | 682                            |
| <b>Net cash from/(used in) investing activities</b>                    |             | <b>112,800</b>                                  | <b>(10,877)</b>                |
| <b>Cash flows from financing activities</b>                            |             |                                                 |                                |
| Proceeds from issue of shares                                          | 11          | -                                               | 124,784                        |
| Proceeds from option exercised                                         |             | 239                                             | -                              |
| Share issue transaction costs                                          |             | -                                               | (6,594)                        |
| Interest on lease liabilities and other finance costs paid             |             | (257)                                           | (20)                           |
| Repayments of lease liabilities, net of lease incentive                |             | 637                                             | (123)                          |
| <b>Net cash from financing activities</b>                              |             | <b>619</b>                                      | <b>118,047</b>                 |
| <b>Net increase in cash and cash equivalents</b>                       |             | <b>104,683</b>                                  | <b>76,934</b>                  |
| Cash and cash equivalents at the beginning of the financial half-year  |             | 62,619                                          | 56,696                         |
| Effects of exchange rate changes on cash and cash equivalents          |             | (1,532)                                         | 654                            |
| <b>Cash and cash equivalents at the end of the financial half-year</b> | <b>7</b>    | <b>165,770</b>                                  | <b>134,284</b>                 |

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes*

|                                                |    |
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## **Note 1. General information**

The financial statements cover DroneShield Limited as a Group consisting of DroneShield Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is DroneShield Limited's functional and presentation currency.

DroneShield Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office is:

Level 5  
126 Phillip Street  
Sydney NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 27 August 2025.

## **Note 2. Material accounting policy information**

These general purpose financial statements for the interim half-year reporting period ended 30 June 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2024 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

### **New or amended Accounting Standards and Interpretations adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group for the half-year ended 30 June 2025 and are not expected to have a significant impact for the full financial year ending 31 December 2025.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

## **Note 3. Operating segments**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

### **Identification of reportable operating segments**

The Group operates in one operating segment, being the development and commercialisation of hardware and software technology for drone detection and security.

The CODM reviews the operating results. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

### **Intersegment transactions**

Intersegment transactions are eliminated on consolidation.

### Note 3. Operating segments (continued)

#### Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

#### Disaggregation of operating segment by geography

| Segment performance<br>30 June 2025              | USA<br>\$'000  | Australia<br>\$'000 | Elimination<br>\$'000 | Total<br>\$'000 |
|--------------------------------------------------|----------------|---------------------|-----------------------|-----------------|
| <i>Hardware sales including shipping revenue</i> |                |                     |                       |                 |
| - direct sales                                   | 1,380          | 9,495               | (3,006)               | 7,869           |
| - distributors                                   | 10,419         | 47,138              | -                     | 57,557          |
| <i>Subscription and license revenue</i>          |                |                     |                       |                 |
| - direct sales                                   | 837            | 522                 | -                     | 1,359           |
| - distributors                                   | 733            | 1,453               | -                     | 2,186           |
| <i>Services revenue</i>                          |                |                     |                       |                 |
| - direct sales                                   | 8              | 1,510               | -                     | 1,518           |
| - distributors                                   | 52             | 701                 | -                     | 753             |
| <i>Warranty revenue</i>                          |                |                     |                       |                 |
| - direct sales                                   | 752            | 179                 | -                     | 931             |
| - distributors                                   | 127            | 24                  | -                     | 151             |
| <b>Total revenue from customers</b>              | <b>14,308</b>  | <b>61,022</b>       | <b>(3,006)</b>        | <b>72,324</b>   |
| Interest revenue                                 | -              | 4,243               | -                     | 4,243           |
| Other income/(losses)                            | 2,605          | 5,349               | (7,735)               | 219             |
| Cost of goods sold                               | (7,030)        | (24,538)            | 6,539                 | (25,029)        |
| Product development expense                      | (1,335)        | (18,271)            | -                     | (19,606)        |
| Sales and customer service expense               | (3,141)        | (6,611)             | -                     | (9,752)         |
| Corporate and support expense                    | (3,932)        | (13,196)            | 4,202                 | (12,926)        |
| Corporate governance expense                     | (43)           | (1,220)             | -                     | (1,263)         |
| Share-based payment expense                      | -              | (2,719)             | -                     | (2,719)         |
| Finance cost                                     | (16)           | (274)               | -                     | (290)           |
| <b>Profit before tax</b>                         | <b>1,416</b>   | <b>3,785</b>        | <b>-</b>              | <b>5,201</b>    |
| Income tax (expense)/benefit                     | (2,832)        | (246)               | -                     | (3,078)         |
| <b>Profit after tax</b>                          | <b>(1,416)</b> | <b>3,539</b>        | <b>-</b>              | <b>2,123</b>    |
| <b>30 June 2025</b>                              |                |                     |                       |                 |
| <b>Assets and liabilities</b>                    |                |                     |                       |                 |
| Segment assets                                   | 19,555         | 343,312             | (9,387)               | <b>353,480</b>  |
| Segment liabilities                              | 14,009         | 33,233              | (8,247)               | <b>38,995</b>   |

**Note 3. Operating segments (continued)**

| Segment performance<br>30 June 2024              | USA<br>\$'000 | Australia<br>\$'000 | Elimination<br>\$'000 | Total<br>\$'000 |
|--------------------------------------------------|---------------|---------------------|-----------------------|-----------------|
| <i>Hardware sales including shipping revenue</i> |               |                     | -                     |                 |
| - direct sales                                   | 11,420        | 578                 | -                     | 11,998          |
| - distributors                                   | 4,224         | 3,058               | -                     | 7,282           |
| <i>Subscription and license revenue</i>          |               |                     | -                     |                 |
| - direct sales                                   | 791           | 245                 | -                     | 1,036           |
| - distributors                                   | 84            | 161                 | -                     | 245             |
| <i>Services revenue</i>                          |               |                     | -                     |                 |
| - direct sales                                   | 35            | 2,218               | -                     | 2,253           |
| - distributors                                   | 7             | -                   | -                     | 7               |
| <i>Warranty revenue</i>                          |               |                     | -                     |                 |
| - direct sales                                   | 365           | -                   | -                     | 365             |
| - distributors                                   | 91            | 31                  | -                     | 122             |
| <b>Total revenue from customers</b>              | <b>17,017</b> | <b>6,291</b>        | <b>-</b>              | <b>23,308</b>   |
| Interest revenue                                 | -             | 682                 | -                     | 682             |
| Other income/(losses)                            | 15            | 3,601               | (3,521)               | 95              |
| Cost of goods sold                               | (5,072)       | (1,542)             | -                     | (6,614)         |
| Product development expense                      | (387)         | (8,424)             | -                     | (8,811)         |
| Sales and customer service expense               | (2,554)       | (1,619)             | -                     | (4,173)         |
| Corporate and support expense                    | (2,586)       | (10,555)            | 7,042                 | (6,099)         |
| Corporate governance expense                     | (11)          | (810)               | -                     | (821)           |
| Share-based payment expense                      | -             | (2,682)             | -                     | (2,682)         |
| Finance cost                                     | (85)          | -                   | -                     | (85)            |
| <b>Profit before tax</b>                         | <b>6,337</b>  | <b>(15,058)</b>     | <b>3,521</b>          | <b>(5,200)</b>  |
| Income tax (expense)/benefit                     | (1,666)       | 2,061               | -                     | 395             |
| <b>Profit after tax</b>                          | <b>4,671</b>  | <b>(12,997)</b>     | <b>3,521</b>          | <b>(4,805)</b>  |
| <b>31 December 2024</b>                          |               |                     |                       |                 |
| <b>Assets and liabilities</b>                    |               |                     |                       |                 |
| Segment assets                                   | 33,280        | 526,775             | (204,176)             | <b>355,879</b>  |
| Segment liabilities                              | (26,023)      | (223,192)           | 204,923               | <b>(44,292)</b> |

**Note 4. Revenue**

|                                              | Consolidated<br>30 June 2025<br>\$'000 | 30 June 2024<br>\$'000 |
|----------------------------------------------|----------------------------------------|------------------------|
| <i>Revenue from contracts with customers</i> |                                        |                        |
| Hardware and shipping                        | 65,426                                 | 19,280                 |
| Warranty                                     | 1,082                                  | 487                    |
| Subscription                                 | 3,545                                  | 1,281                  |
| Services                                     | 2,271                                  | 2,260                  |
| <b>Revenue</b>                               | <b>72,324</b>                          | <b>23,308</b>          |

#### Note 4. Revenue (continued)

##### Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

|                                      | Consolidated<br>30 June 2025<br>\$'000 | 30 June 2024<br>\$'000 |
|--------------------------------------|----------------------------------------|------------------------|
| <i>Customer type</i>                 |                                        |                        |
| Direct sales                         | 11,677                                 | 15,652                 |
| Distributors                         | 60,647                                 | 7,656                  |
|                                      | <u>72,324</u>                          | <u>23,308</u>          |
| <i>Timing of revenue recognition</i> |                                        |                        |
| Revenue generated at a point in time | 67,697                                 | 21,540                 |
| Revenue generated over time          | 4,627                                  | 1,768                  |
|                                      | <u>72,324</u>                          | <u>23,308</u>          |

#### Note 5. Expenses

|                                                                           | Consolidated<br>30 June 2025<br>\$'000 | 30 June 2024<br>\$'000 |
|---------------------------------------------------------------------------|----------------------------------------|------------------------|
| Profit/(loss) before income tax includes the following specific expenses: |                                        |                        |
| <i>Depreciation and amortisation</i>                                      |                                        |                        |
| Property, plant and equipment                                             | 2,355                                  | 702                    |
| Right-of-use assets                                                       | 909                                    | 151                    |
| Intangible assets                                                         | 735                                    | 8                      |
| Total depreciation and amortisation expense                               | <u>3,999</u>                           | <u>861</u>             |
| <i>Superannuation expense</i>                                             |                                        |                        |
| Defined contribution and superannuation expense                           | <u>1,720</u>                           | <u>884</u>             |
| <i>Employee benefits expense excluding superannuation</i>                 |                                        |                        |
| Employee benefits expense excluding superannuation                        | <u>23,181</u>                          | <u>12,499</u>          |

## Note 6. Earnings per share

|                                                                                                                                                                  | Consolidated<br>30 June 2025<br>\$'000 | 30 June 2024<br>\$'000 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|------------------------|
| Profit/(loss) after income tax attributable to the owners of DroneShield Limited                                                                                 | 2,123                                  | (4,805)                |
|                                                                                                                                                                  | Number                                 | Number                 |
| Weighted average number of ordinary shares used in calculating basic earnings per share                                                                          | 872,238,058                            | 614,953,830            |
| Adjustments for calculation of diluted earnings per share:                                                                                                       |                                        |                        |
| Options over ordinary shares *                                                                                                                                   | 50,058,509                             | -                      |
| Weighted average number of ordinary shares used in calculating diluted earnings per share                                                                        | 922,296,567                            | 614,953,830            |
| * As at 30 June 2025, 50,058,509 weighted average unlisted options on issue were considered dilutive and included in the diluted earnings per share calculation. |                                        |                        |
|                                                                                                                                                                  | \$                                     | \$                     |
| Basic earnings per share                                                                                                                                         | 0.002                                  | (0.008)                |
| Diluted earnings per share                                                                                                                                       | 0.002                                  | (0.008)                |

## Note 7. Cash and cash equivalents

|                          | Consolidated<br>30 June 2025<br>\$'000 | 31 December 2024<br>\$'000 |
|--------------------------|----------------------------------------|----------------------------|
| <i>Current assets</i>    |                                        |                            |
| Cash at bank and on hand | 64,693                                 | 47,620                     |
| Short-term deposits      | 101,077                                | 15,000                     |
|                          | 165,770                                | 62,620                     |

In addition to the current cash and short-term deposits, the Group also has \$38 million in longer-term cash deposits (over 3 months), bringing the total cash reserves to \$203.8 million.

## Note 8. Inventories

|                          | Consolidated<br>30 June 2025<br>\$'000 | 31 December 2024<br>\$'000 |
|--------------------------|----------------------------------------|----------------------------|
| <i>Current assets</i>    |                                        |                            |
| Raw materials - at cost  | 58,623                                 | 48,981                     |
| Finished goods - at cost | 22,489                                 | 17,697                     |
|                          | 81,112                                 | 66,678                     |

Inventories recognised as expenses during the half-year amounted to \$25,029,000 (30 June 2024: \$6,614,000). This is disclosed in cost of goods sold in the consolidated statement of profit or loss.

Inventory impairment reversal during the half-year amounted to \$49,000 (30 June 2024: impaired \$86,000).

## Note 9. Intangible assets

|                                           | Consolidated |                  |
|-------------------------------------------|--------------|------------------|
|                                           | 30 June 2025 | 31 December 2024 |
|                                           | \$'000       | \$'000           |
| <i>Non-current assets</i>                 |              |                  |
| Purchased software - at cost              | 61           | 56               |
| Less: Accumulated amortisation            | (36)         | (31)             |
|                                           | 25           | 25               |
| Internally generated software - at cost   | 5,968        | 2,788            |
| Less: Accumulated amortisation            | (691)        | (204)            |
|                                           | 5,277        | 2,584            |
| Prototypes and product designs - at cost  | 1,952        | 1,952            |
| Less: Accumulated amortisation            | (297)        | (49)             |
|                                           | 1,655        | 1,903            |
| Ongoing development costs (WIP) - at cost | 5,525        | 1,907            |
|                                           | 12,482       | 6,419            |

### Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

|                           | Purchased software<br>\$'000 | Internally generated software<br>\$'000 | Prototypes and product designs<br>\$'000 | Ongoing development costs (WIP)<br>\$'000 | Total<br>\$'000 |
|---------------------------|------------------------------|-----------------------------------------|------------------------------------------|-------------------------------------------|-----------------|
| <b>Consolidated</b>       |                              |                                         |                                          |                                           |                 |
| Balance at 1 January 2025 | 25                           | 2,584                                   | 1,903                                    | 1,907                                     | 6,419           |
| Additions                 | 6                            | -                                       | -                                        | 6,798                                     | 6,804           |
| Transfers                 | -                            | 3,180                                   | -                                        | (3,180)                                   | -               |
| Exchange differences      | -                            | -                                       | -                                        | -                                         | (6)             |
| Amortisation expense      | (6)                          | (487)                                   | (248)                                    | -                                         | (735)           |
| Balance at 30 June 2025   | 25                           | 5,277                                   | 1,655                                    | 5,525                                     | 12,482          |



## Note 10. Contract liabilities

Contract liabilities by type of deferred revenue is as follows:

|                                                                                                                                       | Consolidated  |                  |
|---------------------------------------------------------------------------------------------------------------------------------------|---------------|------------------|
|                                                                                                                                       | 30 June 2025  | 31 December 2024 |
|                                                                                                                                       | \$'000        | \$'000           |
| <i>Current liabilities</i>                                                                                                            |               |                  |
| Hardware and shipping                                                                                                                 | 3,121         | 12,813           |
| Subscription                                                                                                                          | 6,744         | 5,018            |
| Services                                                                                                                              | 69            | 165              |
| Warranty                                                                                                                              | 2,761         | 2,653            |
|                                                                                                                                       | <u>12,695</u> | <u>20,649</u>    |
| <i>Non-current liabilities</i>                                                                                                        |               |                  |
| Subscription                                                                                                                          | 3,568         | 3,815            |
| Warranty                                                                                                                              | 1,853         | 2,258            |
|                                                                                                                                       | <u>5,421</u>  | <u>6,073</u>     |
|                                                                                                                                       | <u>18,116</u> | <u>26,722</u>    |
| <i>Reconciliation</i>                                                                                                                 |               |                  |
| Reconciliation of the written down values at the beginning and end of the current and previous financial half-year are set out below: |               |                  |
| Opening balance                                                                                                                       | 26,722        | 19,037           |
| Transfer to revenue - included in the opening balance                                                                                 | (14,361)      | (5,958)          |
| Disposals                                                                                                                             | (202)         | -                |
| Payments received in advance for new contracts                                                                                        | 6,312         | 13,643           |
| Exchange differences                                                                                                                  | (355)         | -                |
| Closing balance                                                                                                                       | <u>18,116</u> | <u>26,722</u>    |

## Note 11. Issued capital

|                              | Consolidated       |                    |
|------------------------------|--------------------|--------------------|
|                              | 30 June 2025       | 31 December 2024   |
|                              | Shares             | Shares             |
|                              | 30 June 2025       | 31 December 2024   |
|                              | \$'000             | \$'000             |
| Ordinary shares - fully paid | <u>874,618,854</u> | <u>872,115,159</u> |
|                              | <u>313,387</u>     | <u>313,149</u>     |

## Note 11. Issued capital (continued)

### Movements in ordinary share capital

| Details                           | Date           | Shares      | Issue price | \$'000  |
|-----------------------------------|----------------|-------------|-------------|---------|
| Balance                           | 1 January 2025 | 872,115,159 |             | 313,149 |
| Shares issued - options exercised | 21 March 2025  | 850,000     | \$0.00      | -       |
| Shares issued - options exercised | 21 March 2025  | 500,000     | \$0.00      | -       |
| Shares issued - options exercised | 24 April 2025  | 500,000     | \$0.25      | 125     |
| Shares issued - options exercised | 24 April 2025  | 125,000     | \$0.30      | 38      |
| Shares issued - options exercised | 29 May 2025    | 248,695     | \$0.00      | -       |
| Shares issued - options exercised | 13 June 2025   | 100,000     | \$0.30      | 30      |
| Shares issued - options exercised | 13 June 2025   | 100,000     | \$0.30      | 30      |
| Shares issued - options exercised | 27 June 2025   | 20,000      | \$0.80      | 15      |
| Shares issued - options exercised | 27 June 2025   | 60,000      | \$0.00      | -       |
| Balance                           | 30 June 2025   | 874,618,854 |             | 313,387 |

Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

### Share buy-back

There is no current on-market share buy-back.

## Note 12. Reserves

|                              | Consolidated |                  |
|------------------------------|--------------|------------------|
|                              | 30 June 2025 | 31 December 2024 |
|                              | \$'000       | \$'000           |
| Foreign currency reserve     | 77           | 2,259            |
| Share-based payments reserve | 10,199       | 7,829            |
|                              | 10,276       | 10,088           |

### Foreign currency reserve

The foreign currency reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

### Share-based payments reserve

The share-based payments reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

## Note 12. Reserves (continued)

### *Movements in reserves*

Movements in each class of reserve during the current financial half-year are set out below:

| <b>Consolidated</b>                                              | <b>Foreign<br/>currency<br/>\$'000</b> | <b>Share-based<br/>payments<br/>\$'000</b> | <b>Total<br/>\$'000</b> |
|------------------------------------------------------------------|----------------------------------------|--------------------------------------------|-------------------------|
| Balance at 1 January 2025                                        | 2,259                                  | 7,829                                      | 10,088                  |
| Foreign currency translation*                                    | (2,182)                                | -                                          | (2,182)                 |
| Share-based payments                                             | -                                      | 2,719                                      | 2,719                   |
| Transfer from share-based payments reserve to accumulated losses | -                                      | (349)                                      | (349)                   |
| Balance at 30 June 2025                                          | <u>77</u>                              | <u>10,199</u>                              | <u>10,276</u>           |

\* The reason for the significant decrease is due to the settlement of amounts owing by a subsidiary entity, DroneShield LLC, to the Australian entities in the Group.

## Note 13. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

## Note 14. Contingent liabilities

The Group had no contingent liabilities as at 30 June 2025 and 31 December 2024.

## Note 15. Commitments

At 30 June 2025, contractual agreements existed to pay suppliers \$19,304,000 for the manufacturing of inventory to deliver on orders received (31 December 2024: \$28,189,000).

## Note 16. Related party transactions

### *Parent entity*

DroneShield Limited is the parent entity.

### *Transactions with related parties*

There were no transactions with related parties during the current and previous financial half-year.

### *Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

### *Loans to/from related parties*

There were no loans to or from related parties at the current reporting date. At the previous reporting date, there were no loans to or from related parties other than the limited recourse loans for the exercise of options, disclosed in the remuneration report included in the Directors' report of the 2024 Annual Report.

## Note 17. Share-based payments

The Group provides benefits to employees in the form of share-based payment options via an Incentive Option Plan. The Incentive Option Plan was approved at the 2025 AGM held on 28 May 2025, approving an issue of up to a maximum of 50,000,000 options. The Incentive Option Plan continues in operation until the Board determines otherwise.

Fair value is measured at grant date using the Black-Scholes Model. The fair values of these instruments granted under the plans are recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employee becomes unconditionally entitled to the instruments.

## Note 17. Share-based payments (continued)

The fair value of the instruments granted excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of instruments that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of instruments that are expected to become exercisable.

### Incentive Option Plan 30 June 2025

#### Number of options

| Option class     | Grant date(s)           | Opening balance   | Granted           | Lapsed           | Exercised          | Closing balance   | Average grant date fair value |
|------------------|-------------------------|-------------------|-------------------|------------------|--------------------|-------------------|-------------------------------|
| Y                | 11/01/2022 - 19/01/2022 | 750,000           | -                 | -                | (500,000)          | 250,000           | \$0.0716                      |
| AA               | 16/06/2022 - 03/08/2022 | 325,000           | -                 | -                | (325,000)          | -                 | \$0.0457                      |
| AB               | 22/07/2022              | 500,000           | -                 | -                | -                  | 500,000           | \$0.0713                      |
| AC               | 18/04/2023 - 20/04/2023 | 515,000           | -                 | -                | (410,000)          | 105,000           | \$0.1049                      |
| AE               | 03/11/2023              | 200,000           | -                 | -                | -                  | 200,000           | \$0.0844                      |
| AG               | 14/02/2024 - 15/02/2024 | 519,000           | -                 | -                | (500,000)          | 19,000            | \$0.2282                      |
| AH               | 26/03/2024              | 20,000            | -                 | -                | (20,000)           | -                 | \$0.2553                      |
| Performance 2024 | 15/01/2024 - 17/12/2024 | 46,405,000        | -                 | (350,000)        | (850,000)          | 45,205,000        | \$0.7318                      |
| Performance 2025 | 31/01/2025 - 26/06/2025 | -                 | 11,484,361        | (25,000)         | -                  | 11,459,361        | \$0.7679                      |
|                  |                         | <u>49,234,000</u> | <u>11,484,361</u> | <u>(375,000)</u> | <u>(2,605,000)</u> | <u>57,738,361</u> |                               |

11,484,361 performance options were issued during the half-year and shall vest and become exercisable into shares at any time on and from the earlier of the date that the vesting conditions are satisfied.

11,484,361 performance options are subject to the following vesting conditions being satisfied: DroneShield achieving \$200 million of revenue or customer cash receipts in any rolling twelve-month period from the date of the issue of the options, or a change of control event, and terminates on the expiry date.

As there is no exercise price and no near-term expectations of dividends to be paid, the value of the option (excluding the impact of vesting conditions) determined using the Black-Scholes model is equivalent to the spot price of a DroneShield Limited share on the date at which the options were issued. Based on existing orders, management assume that the options will vest within the expiry period.

For the options granted during the financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

### 30 June 2025

| Class            | Expiry date             | Exercise price | Expected volatility % | Dividend yield % | Risk-free interest rate % | Expenses \$'000 |
|------------------|-------------------------|----------------|-----------------------|------------------|---------------------------|-----------------|
| Performance 2025 | 31/03/2028 - 31/03/2030 | \$0.00         | -                     | -                | -                         | 549             |
|                  |                         |                |                       |                  |                           | <u>549</u>      |

## Note 18. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Peter James  
Independent Non-Executive Chairman

27 August 2025  
Sydney NSW

## **Independent Auditor's Review Report to the Members of DroneShield Limited**

### **Report on the Half-Year Financial Report**

#### **Conclusion**

We have reviewed the half-year financial report of DroneShield Limited ("the Company"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, including material accounting policy information and other explanatory information, and the directors' declaration, for the consolidated entity comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of DroneShield Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### **Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### **Responsibility of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

HLB Mann Judd

**HLB Mann Judd Assurance (NSW) Pty Ltd**  
**Chartered Accountants**

**Sydney, NSW**  
**27 August 2025**



**N J Guest**  
**Director**